REMARKS

The Examiner has rejected claims 67-114 under 35 U.S.C. § 101 as being directed to non-statutory subject matter. The Examiner has also rejected claims 67-114 under 35 U.S.C. § 103 as being unpatentable over United States Patent Number 6,161,098 to Wallman ("Wallman") in view of United States Patent Number 6,317,726 to O'Shaughnessy ("O'Shaughnessy"). For the reasons set forth in detail below, Applicant respectfully submits that the rejections are improper and requests that the Examiner withdraw the rejections under 35 U.S.C. §§ 101 and 103.

Rejections Under 35 U.S.C. 101

The Examiner has rejected computer program claims 67-82, along with system claims 83-98 and method claims 99-114 under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Title 35, U.S. Code, section 101 reads as follows:

> Whoever invents or discovers any new and useful *process, machine, manufacture,* or *composition of matter,* or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title. (Emphasis added)

The very language of the statute makes it clear that the Examiner's rejections of system (i.e., apparatus) claims 83-98 and method (i.e., process) claims 99-114 are completely improper on their face and Applicant respectfully requests that the Examiner withdraw them without the necessity for further discussion.

With respect to claims 67-82, Applicant has amended these claims to recite a computer readable medium having a sequence of

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instructions which effectuate a trade.   Accordingly, Applicant respectfully submits that the Examiner's rejections of those claims have been overcome by amendment, and withdrawal of these rejections is respectfully requested.

Rejections Under 35 U.S.C. 103

The Examiner has rejected claims 67-114 35 U.S.C. § 103 as being obvious over Wallman in view of O'Shaughnessy.   For the reasons set forth below, these rejections are improper and should be withdrawn.

The Wallman Reference:

Wallman is directed to facilitating the identification of individual stocks or the combination of stocks the user should sell to realize a desired tax-cash outcome.   The abstract of Wallman reads as follows:

> A method and apparatus enables an investor with a portfolio of securities to **manage taxable events** created by trading securities in the portfolio.   A database stores information regarding securities **purchased by the investor.** A presentation and graphical display format directly linked to the system managing the portfolio of securities enables the investor easily to make a selection as to **the shares to be sold** for the desired cash and tax results. A graphical display interface provides the investor with a graph having at least two axes showing cash to be received on one axis, and the tax result on another axis, with the investor permitted to click on points that are available. In generating the graph, **each point available for selection represents an intersection of a cash and tax result based on the investor's purchases** and the current expected sales price for the securities. Once the investor selects his preferred outcome, the system notes those securities (by specific lot, price, date and other identifying means)

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that correspond to that outcome for sale. The graphical
user interface and connection and linkage to a system for
managing a portfolio of securities or some other record
keeping, order handling and execution system resolves the
problem of making complex and difficult determinations to
achieve a cash/tax goal with a simple and single click of
a mouse.

Although Wallman may be considered to disclose graphical
representation of certain aggregate characteristics of an
investment portfolio of securities presently held by the user,
Wallman fails to disclose numerous limitations explicitly recited
in the pending claims. Wallman neither anticipates nor makes
obvious the use of a set of metrics to <u>graphically differentiate</u>
each of one set of securities identified based upon the first set
of metrics from one another. Further, Wallman neither anticipates
nor makes obvious the generation of a three-dimensional graph based
on three <u>user-selected</u> parameters.

**Wallman does not teach "generating a graph in which each of
the user preferred securities is represented and graphically
differentiated from each of the other user preferred
securities"**

The invention as claimed is concerned with first identifying,
and then comparing, <u>individual securities</u> according to <u>specific
criteria</u> selected by the investor. Applicant provides a method for
analyzing these identified securities by <u>graphically
differentiating</u> these identified securities from one another. The
Examiner has asserted that "generating a graph" in which each of

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the securities is "graphically differentiated" is taught by the Wallman reference.

Applicant respectfully submits that Wallman does not disclose such functionality. Wallman discloses a system and method that enables the user to determine <u>tax-cash outcomes</u> associated with the sale of all or a portion of an existing <u>portfolio</u> of securities. Wallman is directed to a method and apparatus for enabling small investors with an existing portfolio of securities to manage taxable events within the portfolio by graphically displaying the universe of tax-cash outcomes present within the portfolio. Wallman is concerned with achieving a <u>portfolio-level result</u> by obtaining a particular tax-cash outcome that is <u>security independent</u>. In fact, Wallman states the following relative to the security independent approach of his system:

> In addition, there may be multiple securities combinations associated with any specific point [on the graph]. For example, point "A" 15 may be represented by the sale of $6,000 worth of shares of security X and $4,000 worth of security Y, or by $10,000 worth of security Z, etc. The system could determine to show just one combination, or multiple combinations, once the user selected the preferred tax-cash outcome. Any combinations shown by the system once the user clicked on the applicable point could then be selected by the user clicking on the specific shown combination. [Wallman, Column 11, lines 50-59.]

The pending claims expressly provide that "securities" (plural) be placed on the graph in such a manner that they can be "graphically differentiated" from one another. The graphs of Wallman display the aggregate statistics for entire <u>portfolios</u> of securities.

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There is not a way to "graphically differentiate" the individual securities from one another by viewing the graphs of Wallman. Using graphing schemes such as those shown in Wallman would largely defeat one of the purposes for which the graphing is done--namely, to graphically view and compare financial attributes of <u>individual securities</u>. This is counter to Applicant's invention as recited in the claims, which is concerned with an <u>individual security-level result</u>, i.e., graphically differentiating user-preferred securities from one another.

Owing to the fact that the system of Wallman and the claimed invention are directed to different aspects of securities trading, the methodologies employed by each are, understandably, very different. Wallman provides a graphical display interface to the investor in the form of a tax-cash outcome plot. The graphical display interface of Wallman enables an investor to achieve a desired portfolio result by selecting the desired tax-cash outcome from within the tax-cash outcome plot. Accordingly, given the different purposes for which the two systems display the data, and the different data displayed thereby, it is not surprising that the manner of display is completely different. They are, in fact, quite different, particularly as regards the presentation of individual securities graphically differentiated from one another. Accordingly, Wallman fails to teach this recited limitation of the pending claims.

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Wallman does not teach "Generating a Graph Based Upon the Values of at least Three User Specific Parameters Associated With Each of the User Preferred Securities."

In addition to the fact that there is no teaching of graphical differentiation of individual securities, there is also no teaching within Wallman of a plurality of securities being graphed according to "user specific parameters."

As discussed above, the differences between the graphs of Wallman and the graphs described in the pending claims derive from their very different purposes. The tax-cash outcome plots of Wallman do not display specific securities relative to one another. Instead, the tax-cash outcome plots display the universe of portfolio-level transactions. The graphs of Wallman enable the user to select the desired tax-cash outcome from the portfolio so that the system of Wallman may provide information relative to the sale of specific securities necessary to best achieve the selected tax-cash outcome for the portfolio. Wallman neither discloses nor suggests displaying the securities in a multi-dimensional graph based upon multiple user specific parameters. Hence, Wallman neither discloses nor suggests the present invention as recited in the pending claims.

As such, for the many reasons stated above, Wallman does not teach, suggest or disclose the invention of any of the pending claims.

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The O'Shaughnessy Reference

In order to overcome the limitations of Wallman, the Examiner cites O'Shaughnessy. O'Shaughnessy can be read to teach a method for carrying out computerized selection of stocks for an investment portfolio. The method involves accessing a database of stock information and selecting a group of stocks from the database that meet a first set of criteria. The stocks within the group are then sorted based upon a second criteria and presented in a list format. Applicant respectfully submits that O'Shaughnessy does not teach "generating a graph" of any sort, and certainly does not teach "generating a graph" in which multiple securities can be graphically differentiated from one another or "generating a graph" based upon the values of three user-specific parameters.

Accordingly, O'Shaughnessy does not overcome the above-identified limitations of Wallman, and the two references do not, alone or in combination, teach or suggest each and every limitation of any pending claim, as required for a prima facie showing of obviousness under 35 U.S.C. § 103.

Fee Statement

The number of independent claims and the total number of claims has remained the same. Accordingly, Applicant submits that no fees are required in connection with this filing. If additional
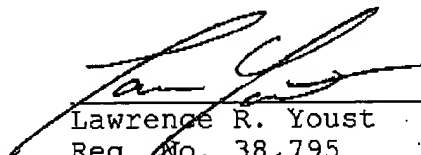
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fees are due or overpayment has been made, please debit or credit our deposit account, Account No. 03-1130.

Conclusion

Applicant has made a diligent effort to advance the prosecution of this application, and has explained, in detail, why the Examiner's rejections are improper. Accordingly, Applicant requests reconsideration of the prior rejections under 35 U.S.C. 101 and 103 and allowance of claims 67-114.

Dated this 5th day of April, 2007.

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